

PIPER USD 203

3130 N. 122nd St. | Kansas City, KS 66109

p. 913.721.2088 | f. 913.721.3573 | www.piperschools.com



February 4, 2020

Dear Members of the K-12 Budget Committee:

Please accept this letter in support of the proposed amendment to K.S.A. 2019 Supp. 72-5462 concerning state aid for future bond issues. As a district that has seen a tremendous amount of growth in the last five years, passage of this amendment would benefit Piper USD 203 tremendously and provide the resources we need to ensure our students are college and career ready.

Under the formula effective July 1, 2015, there was a significant drop in not only in the number of districts qualifying for state aid, but also the percentage of state aid. This formula starts with the district with the lowest AVPP (Fort Leavenworth) receiving 75% and then the percentage of state aid decreases 1% as AVPP increases by \$1,000. The net effect for budget year 2019-2020 was a difference of 31% for bonds approved before and after 7/1/15. Under this formula, only 127 districts now qualify for state aid and 159 do not, a difference of 62 districts from the prior formula.

A rapidly growing district such as Piper, which has passed 4 bond issues in the last 12 years (2008, 2013, 2016, and 2018) is receiving 19% state aid for bonds approved prior to 7/1/15, but NO state aid for those approved after 7/1/15. As of 7/1/19 our district had approximately \$18.8 million in outstanding principal prior to 7/1/15, but \$38.3 million after 7/1/15. The lower percentage of state aid puts tremendous pressure on the district to increase the mill levy in order to make our bond and interest payments which is difficult for our district patrons who already face an extremely high tax bill compared to those in surrounding counties.

We support removing Fort Leavenworth from the formula with HB 2526 given they are not in a position to issue bonds. Because Fort Leavenworth operates within a federal military institution, they have almost no assessed valuation on which to levy taxes. This artificially deflates the starting point for the state aid calculation. When looking at the AVPP for the 2019-2020 school year, Oswego would become the new lowest district. This change would allow 178 districts to qualify for state aid, but still slightly less than the 189 that qualified under the pre-7/1/15 formula. The Piper School District would see a significant increase in state aid on future debt would if this change is enacted.

Thank you for the opportunity to express my support for HB 2526 and thank you for your service and dedication to students in the state of Kansas.

Sincerely,

A handwritten signature in black ink, appearing to read "Blane McCann". The signature is fluid and cursive.

Blane McCann

Interim Superintendent, Piper USD 203

